Subject: Point Mugu Sea Range Commercial Shipping and Whale Strikes

1. Executive Issue:

The potential for changes in commercial shipping routes to protect endangered whales and reduce air quality impacts may affect the Navy's ability to conduct operations on the Point Mugu Sea Range (PMSR). Public concerns over air quality and the presence of endangered whales in and around the existing Traffic Separation Scheme (TSS) in the Santa Barbara Channel (Channel) led to proposals to move ships outside the Channel into the PMSR. State, Federal, and international regulations requiring the use of low-sulfur fuel by large oceangoing vessels (OGVs) have altered shipping patterns with fewer vessels using the SB Channel and more transiting the PMSR. A United States Coast Guard (USCG) Port Access Route Study (PARS), proposed a new TSS through the PMSR. While the USCG does not appear to be moving forward with that recommendation, public perception remains in favor of moving ships out of the Channel and into the PMSR.

2. Background:

- Large whales, including Federally endangered blue, fin, and humpback whales are common in the
 region. In 2007 an Unusual Mortality Event occurred with 7 blue whales potentially killed by ship
 strike. In response, environmental groups proposed moving the TSS outside the SB Channel, into the
 PMSR.
- In October 2013, Congress members Capps and Brownley requested that the Navy work with the Shipping industry to address the ship strike issue and potential TSS changes.
- Effective 1 July 2009, California Air Resources Board (CARB) implemented a requirement that OGVs use low-sulfur fuel within 24 nautical miles (NM) of the California coast (Navy ships are exempt). This regulation was modified in June, 2011, pushing the boundary to 24 NM from the Channel Islands.
- This regulation provided a financial incentive for ship owners /operators to travel farther from the
 coast and burn cheaper, high-sulfur fuel which allowed greater speeds due to higher energy content.
 Ship traffic through the PMSR increased from a historic 5% to about 60%. While the 2011 change
 reduced the incentive, approximately 30% of vessels were still transiting the PMSR.
- In January 2015, International Maritime Organization (IMO) regulations took effect extending the low-sulfur fuel regulation to 200 nm along the entire U.S. west coast. As a result, OGVs appear to be altering course to the south, into Mexican waters, and partially avoiding the PMSR. Traffic remains relatively high, but has reduced to about 20% transiting the PMSR.
- NAVAIR continues working with shipping industry, the USCG and others to mitigate range impacts.
 Most ships have responded to requests to stay clear of or divert around PMSR events.
- The potential remains for costly delays to PMSR ops involving both fiscal costs and mission impacts.

3. <u>Discussion</u>:

- NOAA routinely issues Notices to Mariners regarding presence of whales in the SB Channel and
 requesting a 10 knot voluntary speed limit. These actions provide further incentive for ships to transit
 outside the TSS, through the PMSR and ignore published data showing concentrations of some whale
 species outside the TSS, in the PMSR.
- The USCG PARS recommends a new shipping lane through the PMSR. NAVAIR has strongly
 opposed. While the PARS has been finalized, USCG has not moved to implement a new TSS and
 there appears little USCG interest in proceeding with an IMO process to do so.
- NAVAIR is now participating in the Marine Shipping Working Group (MSWG) a multi-stakeholder process convened by NOAA to discuss alternative to ship routes, speed reductions and other options to address the potential for ship strikes.
- 4. <u>Recommendation or Conclusions:</u> NAVAIR/NRSW continue to monitor issue. NAVAIR to continue participation in the NOAA MSWG to ensure Navy concerns are addressed.